

January 9th, 2023

To the Honorable Judge Wiles,

The vast majority, >90%, of the creditor class are frustrated by the actions of the leadership of Voyager, as well as feel that we are grossly underserved by our assigned UCC and committee legal representatives.

Our voices have not been heard and we are deeply grateful for you allowing us to submit documentation and requests via this court communication pathway.

We are asking you as the authority overseeing this case, to take the following actions:

- 1) Release the Special Committee reports (executive summary only) to the creditor class that paid for them out of estate funding.
- 2) Convert this case from Chapter 11 to Chapter 7, and appoint a Trustee to oversee the liquidation of the estate.
- 3) Release the existing Board and Executive suite for cause (except the CTO and team to ensure security of assets) to save creditor assets from continuation of liquidating estate funds. Allow the Court appointed Trustee to wind the estate.
- 4) As the case is converted to Chapter 7, revise the UCC leadership and structure to better represent the best interests of the entire creditor class.

RELEASE THE SPECIAL COMMITTEE REPORTS

Significant estate funding was used to perform not only one investigation, but two separate ones. The expenses incurred for this activity was significant (Quinn Emanuel: \$3.2 million, FTI Consulting Inc: \$4.1 million). I would not be surprised to see the costs increase from here.

The creditors have received inadequate value of return on that investment of estate assets. Despite containing "sobering" findings (Document 526, court filed 10/22/22), neither the Debtors or UCC counsel have released the results to the creditor class. In return, creditors are being offered a settlement of \$1.5 million from the CEO, for waiver of immunity for himself and the executive team. With greater than 1.5 million creditors, this amounts to less than \$1 dollar of value per creditor. Most who have lost hundreds to thousands, to hundreds of thousands to this bankruptcy caused by the same executives.

How can the creditor class make an informed decision as to whether that is an acceptable trade off, unless we are granted access to the summary reports generated by our \$7.3 million into this investigation? For the sake of justice, we are requesting that you release these, unredacted and as soon as administratively possible.

CONVERT THE CASE FROM CHAPTER 11 TO CHAPTER 7, WITH APPOINTED TRUSTEE

As THE senior authority with bankruptcy proceedings, we are certain you are aware that the success rate of Chapter 11 confirmation is very low, some studies have shown <30%. (<https://www.justice.gov/archive/ust/articles/docs/abi98febnumbers.pdf>) So that means the vast majority fail, are dismissed or converted.

The primary purpose of Chapter 11 being one of reorganization or rehabilitation, is not achievable. A reorganization has been known by the Debtors, their representatives at Kirkland and UCC representatives at McDermott, to not be possible since late Summer of 2022. There is no interested party, after two rounds of auctions, to secure any asset of Voyager beyond their customer base, and the assets bought by the customers. In addition, the entire business model is being challenged by class action lawsuits, as well as State Regulatory agencies as negligent at best, and criminal at worst.

The creditor assets are not being served by continuously extending the Chapter 11 timeline, with the Debtors attempting to force the creditors into a liquidation sale process, from one unstable and potentially illegal entity, to another. The only beneficiaries are the highly compensated executives who collect both their salaries/benefits/bonuses throughout, as well as negotiate immunity from legal action in exchange for <\$1 per creditor, as well as the \$10s million of creditor assets being spent (>\$60 million currently) with multitude of professional service entities.

Per 11 U.S. Code 1112, (b) (1), the court can mandate a conversion from Chapter 11 to Chapter 7, for cause. Two of the clauses highlighted in the code, include:

(b) (4) (a) Substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation.

(B) (4) (b) gross mismanagement of the estate;

Creditors feel both these clauses exist in this case.

RELEASE THE EXISTING BOARD AND EXECUTIVE SUITE FOR CAUSE

Creditors feel both these clauses exist in this case. In addition, we feel separation for cause of the existing Board and C-Suite, is in the best interest of creditor assets (see attachment 1). With zero chance at reorganization, the existing knowledge base retained by the executive suite is no longer of value. A Case Trustee can be appointed to liquidate the remaining assets and distribute funds more efficiently.

In addition, the existing executive team has historically and repeatedly misled customers, frequently and directly contradicting what is in the T&C or pleadings during this case. (see attachment 2). Due to these facts, we feel they should be terminated for cause, forfeiting

salary/benefits/officer protections. This is in addition to what may or may not be, in either of the Special Committee reports, as well as any findings of civil and/or criminal outcomes resulting from the numerous State Regulatory agencies.

REVISE THE UCC LEADERSHIP AND STRUCTURE

A significant number of creditors have lost faith in our existing UCC team as well as their chosen legal counsel. (See attachment 3). There are significant concerns about perceived conflicts of interest, as well as failure to communicate and engage with the creditor class, as well as failure to represent to the courts, creditor sentiments and wishes.

Examples of perceived conflicts of interest:

Steve Ehrlich provides funds and/or public support (via his multiple LLCs; Crypto Trading Technologies, Honos Financial, Lightspeed Financial, Voyager) to Jason Raznick, via his wholly owned (at the time) Bezinga company (sponsoring Bezinga Global Small Cap Conference, Bezinga List Maker Series, Bezinga FinTech Award). These business relationships and engagements go back to at least 2010, in addition to publicly referring to each other as friends.

Jason Raznick then requests/volunteers to be the Chairman of the Unsecured Creditors Committee, responsible for overseeing creditor fiduciary responsibility and overseeing the actions of Steve Ehrlich and Debtors in Possession.

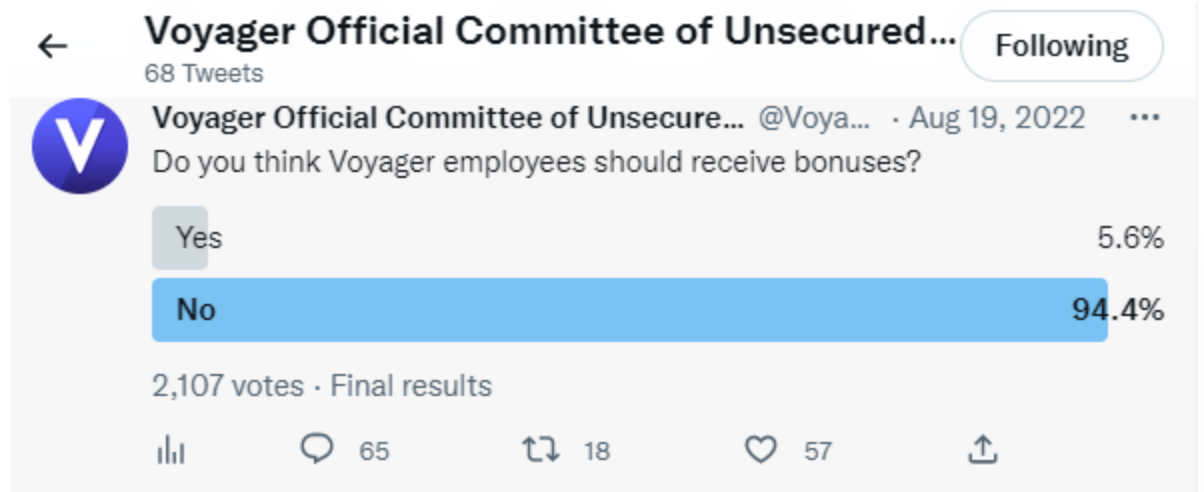
Jason Raznick then selects McDermott Will & Emory as legal counsel representing the UCC committee, being paid millions of dollars from creditor assets.

McDermott Will & Emory then sponsors/funds Jason Raznick business, sponsoring Future of Crypto Conference Bezinga, December 2022.

The creditors are appreciative of the efforts with internal meetings the UCC committee invests their personal time in, but due to potential for perceptions of the conflict of interests listed above, we would request that once converted to Chapter 7, and Case Trustee appointed, a revised UCC board is included in the process.

In addition, McDermott has frustrated a significant portion of the creditor class, by keeping us uninformed of their actions and not expressing creditor sentiment to Judge Wile. For example, during the Kerp hearing, Judge Wile ruled in favor of passing the KERP plan, after stating he had not heard objections from creditors, and both Kirkland and UCC supported it. Only the US Treasury office objected to it. But McDermott failed to mention to the Court that the vast majority of polled creditors objected to it. Greater than >90%. As McDermott is acting as the agent of the UCC only, a revised membership would resolve this concern as well.

Results of poll below:



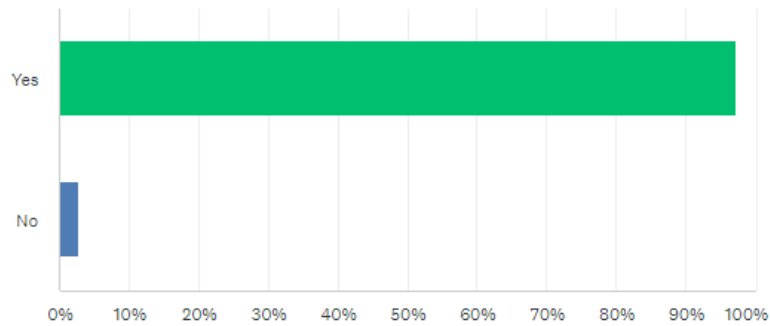
Thank you again for allowing this as a channel and voice of the creditors, and we all look forward to seeing these requests enacted, where possible.

Best regards,
Tracy Hendershott (and over 600 additional creditors)

Attachment 1: Creditor request for removal of Executives/Board for cause

Do you feel Steve Ehrlich should be removed from his CEO position immediately, and for cause, forfeiting his salary/benefits/protections as Officer of Voyager?

Answered: 632 Skipped: 2

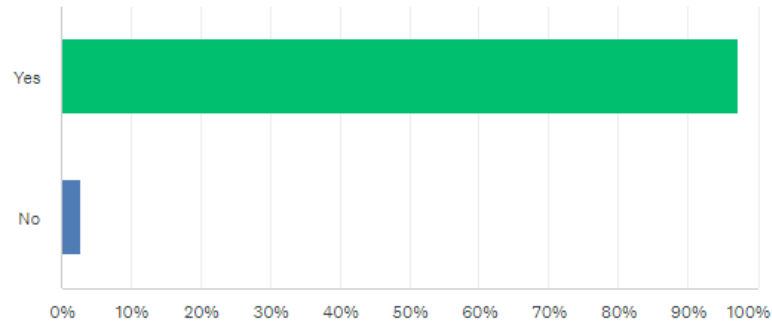


ANSWER CHOICES	RESPONSES	
Yes	97.31%	615
No	2.69%	17
TOTAL		632

[Comments \(112\)](#)

Do you feel Evan Psaropoulous should be removed from his CCO position immediately, and for cause, forfeiting his salary/benefits/protections as Officer of Voyager?

Answered: 626 Skipped: 8

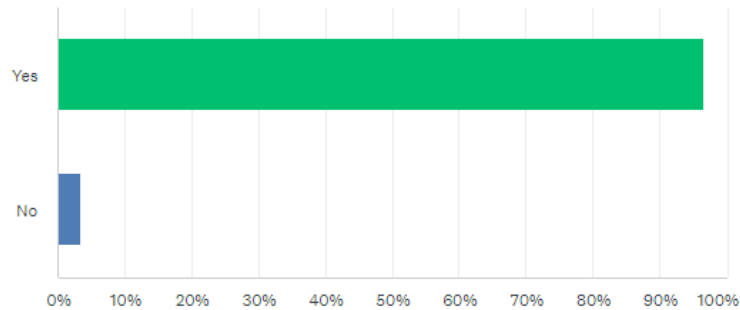


ANSWER CHOICES	RESPONSES	
▼ Yes	97.28%	609
▼ No	2.72%	17
TOTAL		626

[Comments \(52\)](#)

Do you feel Pam Kramer should be removed from her position as CMO (Chief Marketing Officer) immediately, and for cause, forfeiting her salary/benefits/protections as Officer of Voyager?

Answered: 626 Skipped: 8

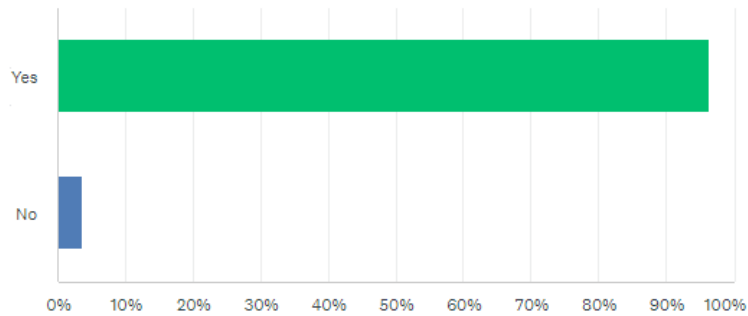


ANSWER CHOICES	RESPONSES	
Yes	96.65%	605
No	3.35%	21
TOTAL		626

[Comments \(60\)](#)

Do you feel all Officers and Board of Voyager Digital should be dismissed for cause (forfeiting their pay/benefits/protectations), and Executor appointed to liquidate company and assets, immediately?

Answered: 628 Skipped: 6



ANSWER CHOICES	RESPONSES	
▼ Yes	96.34%	605
▼ No	3.66%	23
TOTAL		628

[Comments \(70\)](#)

Attachment 2: Steve Ehrlich Interviews/ Misleading Statements and Marketing

- 1) Voyager Digital Quarterly Listing Report for Canadian Securities Exchange (CSE) - September 30, 2020
 - a) States: "Customers were able to trade Bitcoin and earn interest at the same time, becoming in effect an interest-bearing checking account." Either misleading customers/investors that Voyager was a bank, or actually acting as a bank illegally.
- 2) <https://www.youtube.com/watch?v=NwVA1wiDr5E> 23-Oct-2019
 - a) Asked how do you protect consumer assets? Misdirects consumers by highlighting Voyager is:
 - i) FinCen Regulated: This is US Federal statute to protect against money laundering and terrorism, with significant reporting requirements from Financial Services Firm to report to Federal Agencies. Provides zero protection to consumer assets and intentional misdirection by Steve to instill risk management belief in consumers. 3:20 mark
 - ii) Tells consumers they protect their assets by their "security partners, holding the custody of "their" coins". Misleading consumers that coins are their, not Voyagers. 4:10 mark
 - iii) Protects consumers by "spreading out custody of the coins, across multiple partners, to secure the most assets for our customers". Zero mention that Voyager doesn't consider the assets to be owned by their customers after depositing, misleading them into believing Voyager is actually protecting them, not transferring over 60% of total assets, to a hedge fund established in the Caribbean, started by two kids shortly after college, with no collateral and performing faulty or inadequate due diligence. 4:15 mark
 - iv) Interviewer and Steve continue to talk about "custodianship", falsely making myself and other consumers believe we still own our assets after transferring or purchasing on Voyager. 4:37 mark
 - v) Steve tells consumers they are Registered Agency Brokers, implying consumer protections. But in fact, Steve now submits that they are not a securities broker, a commodity broker or a regulatory broker of any type, and not subject to the consumer protections under any of these agencies (SEC, FINRA). Misleading myself and other consumers into a false sense of security. 5:15 mark
 - vi) Steve highlights how his 25 years and his team's experience in market downturns/cryptowinters, and still being successful, is a differentiator for Voyager. Now Steve files documents stating Voyager bankruptcy is caused by "Crypto Apocalypse". Significant market downturns (>75%) are a consistent and embedded element in the crypto market, happening every four years at minimum. Steve falsely indicated to me, his team knows how to maneuver and survive, and is now falsely stating that is causing the demise of Voyager. In my opinion, only action causing

bankruptcy is Steve's decision to loan 60% of consumer deposits to 3
Arrow Capital, with no collateral or adequate due diligence. 10:52 mark

- 3) <https://www.youtube.com/watch?v=aFLF9GwcUml> 31-Oct-2019
 - a) Highlights their focus on targeting "consumers" & how most individuals are very confused about crypto, don't understand wallets, don't understand security, so Voyager needs to educate them. 13:35 mark. Steve/Voyager never once educates users that by using their services, they give up 100% ownership of their assets to Voyager and prey on the reasonable man on the street confusion.
 - b) Refers to using Voyager as a "checking account" with interest. 15:50 mark. Falsely "educating" myself and consumers to view Voyager equal to security provided at the Bank and that Voyager is itself a bank.
 - c) Tells consumers that crypto is "your money, you should be able to buy what you want, when you want to buy it and not wait there for the middleman to say it is my money, not your money". 18:05 mark. Unfortunately, this is completely opposite of what Voyager actually engaged in. Again, I feel fraudulently misleading myself and consumers.
- 4) <https://www.youtube.com/watch?v=J18dT2jDbxs> 16-Mar-2020
 - a) Telling consumers they are offering "bank cards", again confusing the depositor to thinking they have a bank relationship with Voyager. 17:25 mark
 - b) Telling consumers/depositors there is "no conversion" cost, when in fact, they had the highest fees (3-5%) buried in the bid/ask spread, when they were marketing and misdirecting by stating "zero conversion" and "no conversion" costs in this and other video communications. 18:50 mark
 - c) Steve is telling depositors/consumers, it is "your money. At the end of the day it is your money." Complete contradiction to their company policy is that all our deposits are their money/assets. 19:30 mark
- 5) <https://www.youtube.com/watch?v=aV4Vmw6dAjc> 1-May-2020
 - a) "If you want to send me money, I will sign anything." = Steve Ehrlich. Very enlightening insight into mindsight of CEO who then proceeds to sign away 60% of depositor assets, with no collateral and bankrupts both his stock investors and depositors. 12:55 mark
 - b) "We have to get people to realize the money is theirs." "No one should have that control over your finances". Misleading me and consumers into believing Steve/Voyager believes depositors actually controlled and owned our own assets. 29:40 mark
- 6) <https://www.youtube.com/watch?v=PXpQ1d0g6wo> 30-July-2020
 - a) States they are "regulated broker dealer", which would require FINRA oversight, installing false confidence in depositors/investors. FINRA does not list Voyager as an authorized broker dealer. After bankruptcy, we find out no consumer protection agency (SEC, FINRA) protects customer assets.

VOYA INVESTMENTS DISTRIBUTOR, LLC
ONE ORANGE WAY, WINDSOR, CT 06095

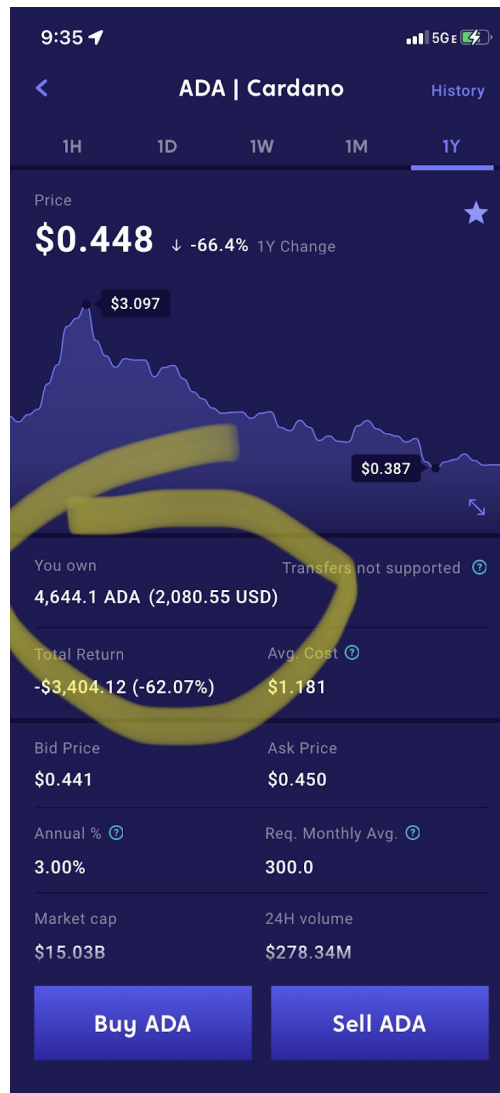
VP DISTRIBUTORS LLC
ONE FINANCIAL PLAZA, HARTFORD, CT 06103

<https://www.finra.org/about/firms-we-regulate/broker-dealer-firms-we-regulate>

7) <https://www.youtube.com/watch?v=ti3OLZujJBk> 17-Aug-2020

- a) "Voyager offers...custody services". This misled myself and other customers to believe our assets were being held in custody on our behalf, not that we were handing over ownership. .35 mark
- b) "In addition it is fragmented from not just the execution but the custody piece on how people hold their assets. That makes it very, very, very confusing for the average retail investor." 1:10 mark Highlighting custodian services to consumers, not that we are signing over 100% of our assets to them.
- c) Indicates Voyager "gives consumers enough information that they can make a really good decision on which crypto assets they want to hold, earn and invest in." 2:20 mark. I feel this misleads myself/consumers that our purchases and assets are held on Voyager, not handing over 100% control of them.
- d) Speaks that consumers "don't really understand how custody works." "We have to make it easy for people to understand security, custody and trading of these markets, which is what the Voyager app does." Completely false and misleading statement. The Voyager app shows that each individual consumer owns their

crypto in their account, when Steve tells the bankruptcy court Voyager owns all



our assets. 3:40 mark.

- e) Differentiator for Voyager from competition, "you can earn interest without locking up your coins." This is a misleading statement to myself/consumers. In fact, Steve is telling court proceedings that he can confiscate your coins, in addition to locking your coins up and you out of your accounts. 4:56 mark.
- 8) https://www.youtube.com/watch?v=KIRH-mLk_Q8 25-Aug-2020
 - a) "You let someone like Voyager hold it, on your behalf, as a wallet within a wallet." 17:35 mark. Misleading statement that leads myself/consumers to believe we actually own the assets we purchase/deposit on Voyager.
 - b) "First phase of adoption is to let someone like Voyager hold that for you". 17:49 mark. Falsely implying to myself/consumers we own our assets, we paid for.
 - c) "Makes more sense for someone like Voyager to do the holding for you." 18:10 mark. Continuously making statements that Voyager is holding our assets for us, versus us transferring 100% control and ownership over to them.
- 9) <https://www.youtube.com/watch?v=BPu05eWqk9Y> 20-Sep-2020

- a) "We have a payment processor that moves the money from your bank account, to our bank account, so we (Voyager) can buy the crypto for you." 1:40 mark. Misleading myself/consumers that they are buying crypto with our funds, for us...not us transferring our money to their account to buy crypto for Voyager.
 - b) "We are working on a debit card, so you will be able to spend your USDC." 4:05 mark. Implying in live interviews to investors/depositors, that in fact we own the USDC that we paid for, not Voyager.
- 10) https://www.youtube.com/watch?v=6APUj-q_ogg 9-Nov-2020
- a) Interviewer: How do you pay out interest? Steve: "We choose our partners very carefully." "They (Voyager agents) are collateralizing a lot of the loan." "No crazy exotics, no derivative products that we use, pure finding the right counter parties and the collateralization of all that." 11:20 mark. Collateralized loans are standard operating procedure...placing 60% of all depositor assets into a single non-collateralized loan, is fiduciary malfeasance in my opinion. Never was there any indication shared by Steve to depositors/investors that they would engage in such unsound, anything but careful, risk management. 3AC defaulted on many lenders (all of them in fact) but the vast majority had collateralized loans and have emerged from the event without filing bankruptcy and ruining the livelihood of their investors and depositors.
 - b) "It is no magic...just flat out being conversative." 11:30 mark
 - c) "All we are trying to do is make the system, you know, in a place where the consumers are getting value for what they hold." 12:51 mark. Another attestation of depositors/consumers having ownership of their assets, not Voyager.
 - d) "We are the trustworthy source and the trustworthy company to store, hold, invest, trade your crypto." 50:05 mark. Stating that they are storing and holding our assets, not that we are signing them over to Voyager.
- 11) <https://www.youtube.com/watch?v=I9O0i-mbpbkI> 14-Apr-2021
- a) "Number one priority is the safety and security of the customer's assets". 19:30 mark. No mention that the customer purchases their assets and now they are Voyager assets. How is giving 60% of our assets to 3AC, with no collateral, in the safety and security of our assets?
- 12) <https://www.youtube.com/watch?v=571nCMBGmWM> 25-Apr-2021
- a) "We do not lend our coins to hedge funds or crypto funds." 4:54 mark A complete falsehood and misleading each depositor/customer.
- 13) <https://www.youtube.com/watch?v=nKevUsTGN3I> 3-May-2021
- a) "99% of our users are retail traders." 5:05 mark. 3.5 million users (>1% of entire US population)
<https://www.prnewswire.com/news-releases/voyager-digital-reports-revenue-of-us102-7-million-for-the-quarter-ended-march-31--2022--301547719.html>) and bankruptcy filings show less than 50 would be classified as accredited investors (>\$1 million of assets on platform). Documents that the vast majority of users of the platform would be "unsophisticated" and susceptible to deceitful marketing practices.

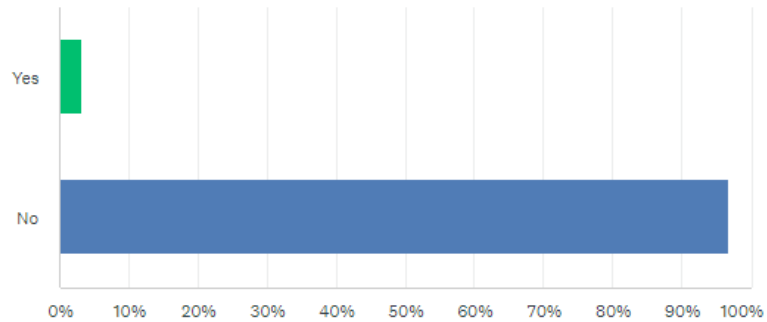
- b) “Our debit card will have an ABA and account number, so they get their bank and account number, and will be able to use that debit card as any normal bank account.” “We expect to be the bank of the future.” 13:30 mark. Confusing the depositors/customers into Voyager being equal to a bank and our USDC/Assets being protected like at a bank. Especially when combined with their false FDIC statements.
- 14) Voyager leadership falsely stating to investors and creditors 2 weeks before locking accounts and filing bankruptcy, that all customer assets were safe and sound by them “managing risk and prioritizing the security of customer funds”. No stablecoin lending, which is a complete lie. No DeFi lending activities....another complete lie. At this point they had already lent \$1 Billion of customer assets to one of the biggest DeFi and derivative traders, 3AC. In addition, had most likely already committed to filing bankruptcy with Kirkland.



Attachment 3: Creditor Survey regarding UCC actions

Do you feel performance of Voyager UCC has adequately represented best interests of creditors?

Answered: 640 Skipped: 2

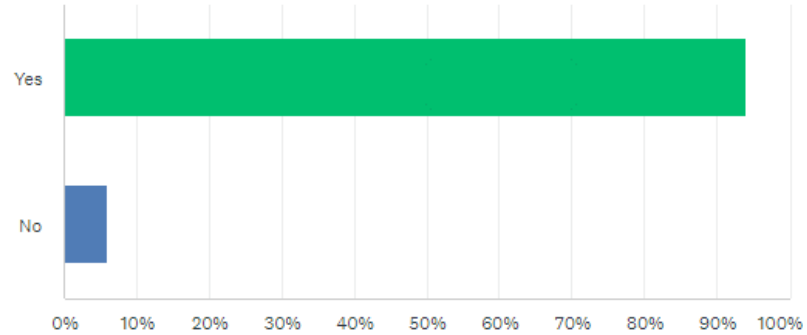


ANSWER CHOICES	RESPONSES
Yes	3.28% 21
No	96.72% 619
TOTAL	640

[Comments \(137\)](#)

If you answered No to Question 1, do you recommend removing Jason Raznick as Chairman of UCC and the committee?

Answered: 617 Skipped: 25

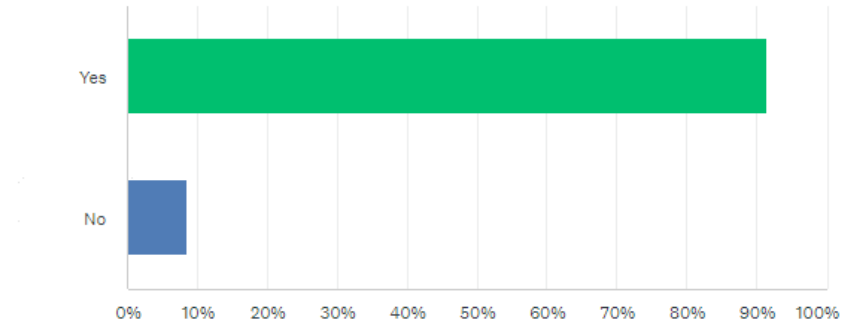


ANSWER CHOICES	RESPONSES
▼ Yes	94.00% 580
▼ No	6.00% 37
TOTAL	617

[Comments \(77\)](#)

If you answered No to Question 1, do you recommend removing MWE (McDermott) as legal counsel from the UCC and representing the creditor class?

Answered: 593 Skipped: 49

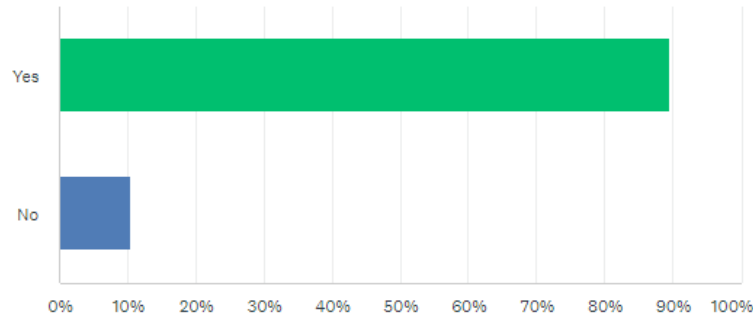


ANSWER CHOICES	RESPONSES	
Yes	91.40%	542
No	8.60%	51
TOTAL		593

[Comments \(55\)](#)

If you answered No to Question 1, do you recommend expanding the UCC membership from current 7 members to 9 members (with community input to US Treasury, who controls the UCC structure)?

Answered: 609 Skipped: 33



ANSWER CHOICES	RESPONSES	
▼ Yes	89.49%	545
▼ No	10.51%	64
TOTAL		609

[Comments \(56\)](#)